

### ***Caution: DRAFT FORM***

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If you have any comments on this draft form, you can submit them to us on our web site. Include the word DRAFT in your response. You may make comments anonymously, or you may include your name and e-mail address or phone number. We will be unable to respond to all comments due to the high volume we receive. However, we will carefully consider each suggestion. So that we can properly consider your comments, please send them to us within 30 days from the date the draft was posted.

**Gains and Losses From Section 1256  
Contracts and Straddles**

▶ Attach to your tax return.

Name(s) shown on tax return

Identifying number

Check applicable box(es) (see instructions): **A** ☐ Mixed straddle election **C** ☐ Mixed straddle account election  
**B** ☐ Straddle-by-straddle identification election **D** ☐ Net section 1256 contracts loss election

**Part I Section 1256 Contracts Marked to Market**

(a) Identification of account	(b) (LOSS)	(c) GAIN
1		
2 Add amounts on line 1 in columns (b) and (c)	2 ( )	
3 Net gain or (loss). Combine columns (b) and (c) of line 2		3
4 Form 1099-B adjustments. See instructions and attach schedule		4
5 Combine lines 3 and 4		5
<b>Note:</b> If line 5 shows a net gain, skip line 6 and enter the gain on line 7. Partnerships and S corporations, see instructions.		
6 If you have a net section 1256 contracts loss and checked box D, enter the amount to be carried back		6
7 Subtract line 6 from line 5		7
8 Short-term capital gain or (loss). Multiply line 7 by 40%. Enter here and include on Schedule D. See instructions		8
9 Long-term capital gain or (loss). Multiply line 7 by 60%. Enter here and include on Schedule D. See instructions		9

**Part II Gains and Losses From Straddles.** Attach a separate schedule listing each straddle and its components.**Section A—Losses From Straddles**

(a) Description of property	(b) Date entered into or acquired	(c) Date closed out or sold	(d) Gross sales price	(e) Cost or other basis plus expense of sale	(f) LOSS. If column (e) is more than (d), enter difference. Otherwise, enter -0-	(g) Unrecognized gain on offsetting positions	(h) RECOGNIZED LOSS. If column (f) is more than (g), enter difference. Otherwise, enter -0-	(i) 28% RATE LOSS (see instr. below)
10								
11a Enter short-term portion of line 10, column (h), losses here and include on Schedule D. See instructions.						11a ( )		
b Enter long-term portion of losses from line 10, columns (h) and (i), here and include on Schedule D. See instructions.						11b ( )	( )	( )

**Section B—Gains From Straddles**

(a) Description of property	(b) Date entered into or acquired	(c) Date closed out or sold	(d) Gross sales price	(e) Cost or other basis plus expense of sale	(f) GAIN. If column (d) is more than (e), enter difference. Otherwise, enter -0-	(g) 28% RATE GAIN (see instr. below)
12						
13a Enter short-term portion of line 12, column (f), gains here and include on Schedule D. See instructions.					13a	
b Enter long-term portion of gains from line 12, columns (f) and (g), here and include on Schedule D. See instructions.					13b	

**Part III Unrecognized Gains From Positions Held on Last Day of Tax Year.** Memo Entry Only—See instructions.

(a) Description of property	(b) Date acquired	(c) Fair market value on last business day of tax year	(d) Cost or other basis as adjusted	(e) UNRECOGNIZED GAIN. If column (c) is more than (d), enter difference. Otherwise, enter -0-
14				

\*28% Rate Gain or Loss includes all "collectibles gains and losses" and up to 50% of the eligible gain on qualified small business stock. See Instructions for Schedule D (Form 1040).